

(This Ruling has been revised / superseded vide Valuation Ruling No. 1436/2020 dated 06-02-2020)

**GOVERNMENT OF PAKISTAN
DIRECTORATE GENERAL OF CUSTOMS VALUATION
CUSTOM HOUSE KARACHI**

The Collectors of Customs, Model Customs Collectorates, Appraisement (East / West) / Port Qasim / Preventive, Karachi / Lahore (Appraisement / Preventive) / Sambrial (Sialkot) / Faisalabad / Multan / Islamabad / Hyderabad / Quetta / Peshawar / Gawadar / Gilgit-Baltistan.

**DETERMINATION OF CUSTOMS VALUES OF BLANKETS OF DIFFERENT TYPES
UNDER SECTION 25-A OF THE CUSTOMS ACT, 1969**

(VALUATION RULING No. 979/2016)

File No. Misc/19/2012-IV/9966

Dated: 25th November, 2016

In exercise of the powers conferred under Section 25-A of the Customs Act, 1969, Customs values of Blankets are determined as follows:-

2. Background of the valuation issue: Number of representation were received from different importers of Blankets against valuation ruling in field vide its No. 878/2016 dated 27-06-2016, stating that the international prices have come down and the existing values in said ruling are on much higher side. Therefore, an exercise was undertaken by this Directorate General to revise the same according to trends prevailing in the current international market.

3. Stakeholders' participation in determination of Customs values: Meetings for the determination of customs values of Blankets of different types with the stakeholders was conducted on 23.11.2016, wherein three basic issues were raised by the stakeholders which are as follows.

- a) Values are enhanced by Director General without giving any hearing opportunity to them.
- b) In the absence of packing position, importers are facing problems during enhancement of goods value in "Weight, Gross, and Net".
- c) M/s Bed & Blankets Pvt. Ltd. Lahore requested that their matter of blanket fabric be dealt separately, other than this ruling as their matter does not fall in category of finished / semi-finished blankets.

4. Furthermore, the importers submitted their import documents in support of their contention and requested to accept their transactional values. Moreover, they have also submitted the working sheet from Raw Material to Finished Form. All the participants were requested to submit the following documents so that correct customs values could be determined:

- i) Invoices of imports during last three months showing factual values, websites, names and email addresses of known foreign manufacturers of the item in question through which the actual current value can be ascertained.
- ii) Copies of Contracts made / LCs opened during the last three months showing the value of item in question.
- iii) Copies of Sales Tax Invoices issued during last four months showing the difference in price (excluding duty and taxes) to substantiate that the benefit of difference in price is passed on to the local buyers.

5. Method adopted to determine Customs values: Valuation methods given in Section 25 of the Customs Act, 1969 were followed. Transaction value method provided in Section 25(1) was found inapplicable because the requisite information was not available. Identical/ similar goods value Methods provided in Section 25(5) & (6) were examined for applicability to the valuation issue in the instant case which provided some reference values of the subject goods but the same could not be exclusively relied on. Thereafter, market enquiry as envisaged under Section 25(7) of the Customs

Act, 1969, was conducted. The prices of different types of Blankets in the market varied significantly and were heavily dependent on quality of the Blankets and the location of the selling point or shop in the city. Online values were also checked. The computed value method as provided in Section 25(8) of the Customs Act, 1969, could not be applied as the conversion costs from constituent material at the country of export were not available. All the information so gathered was evaluated and analyzed for the purpose of determination of customs values. Consequently, the Customs values of Blankets have been determined under Section 25(9) of the Customs Act, 1969.

6. Customs values for Blankets of different qualities and various origins: Blankets of different qualities and various origins hereinafter specified shall be assessed to duty / Taxes at the following Customs Values:-

S. No.	Description of Goods	PCT	Proposed PCT for WEOC	Origins	Customs Values (C&F) U.S.\$./ KG/ Net Weight
(1)	(2)	(3)	(4)	(5)	(6)
1	100% Polyester Blankets Printed & Embossed, in retail Packing (Finished)	6301.4000	6301.4000.1000	China	3.00
		6301.9000	6301.9000.1000	Korea/U.A.E	3.65
				Europe	4.40
2	100% Acrylic / Blended Blankets Printed & Embossed, in Retail Packing (Finished)	6301.4000	6301.4000.1000	China	4.00
		6301.9000	6301.9000.1000	Korea/U.A.E	4.48
				Europe	5.50

7. The above values are inclusive of essential packing and shall be assessed on net weighted basis. In Cases where declared/ transaction values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of Sub-Section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officer shall take into account the differential between air freight and sea freight while applying the Customs values determined in this Ruling.

8. Validity of this Valuation Ruling: The values determined vide this Ruling shall be the applicable Customs value for assessment of subject imported goods until and unless it is rescinded or revised by the competent authority in terms of Sub-Sections (1) or (3) of Section 25-A of the Customs Act, 1969.

9. Revision of the value determined vide this Valuation Ruling: A revision petition may be filed against this Ruling, as provided under Section 25-D of the Customs Act, 1969, within 30 days from the date of issue of this ruling, before the Director General, Directorate General of Customs Valuation, 7th Floor, Custom House, Karachi.

10. The Collectors of Customs may kindly ensure that the values given in the Ruling for the given description of goods are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of Directorate General immediately.

11. This Ruling supersedes Valuation Ruling No. 878/2013, dated 27-06-2016.

(DR.WASIF ALI MEMON)

Director

Copy for information to:-

1. Member (Customs), F.B.R., Islamabad.
2. Director General, Customs Valuation, Custom House, Karachi.
3. Chief Collector of Customs, South (Appraisalment), Custom House, Karachi.
4. Chief Collector of Customs, South (Enforcement), Custom House, Karachi.
5. Chief Collector of Customs (Central), Lahore.
6. Chief Collector of Customs (North), Islamabad.
7. Director General, Intelligence and Investigation-FBR, Islamabad.

8. Director General, Audit (Customs & Petroleum), 1st Floor, PT &T Audit Building, Mauj-e-Darya Road, Lahore.
09. Director General, Post Clearance Audit (PCA), Islamabad.
10. Director General, Internal Audit (Customs), Karachi.
11. Directors, Intelligence & Investigation, Karachi / Lahore / Islamabad / Quetta Peshawar / Faisalabad.
12. Director, Directorate of Customs Valuation (Camp Office), Lahore.
13. Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system and deleting Valuation Ruling No. 878/2016, dated 27-06-2016 from the system on the date of issue of this ruling.
14. Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.